GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:67
ANSWERED ON:16.08.2007
PROFIT EARNED BY OIL REFINERIES OIL COMPANIES
Singh Shri Suraj;Suman Shri Ramji Lal

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the profit earned by the oil refineries in the country through crude oil processing has increased during the first quarter of the year 2007-2008 vis-Ã -vis the profit earned during the first quarter of 2006-2007;

(b) if so, the details thereof;

(c) the average amount of profit per barrel earned by the Government oil companies during the said period;

(d) the profit earned by the said companies through this process during the said period of these two years, separately; and

(e) the reasons for difference in the amount of profit earned during the said two periods ?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA)

(a)to(e): A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No.67 by Shri Ramji Lal Suman and Shri Suraj Singh to be answered on 16th August, 2007 regarding profit earned by oil refineries/ oil companies

(a) to (d) : Yes Sir. A statement on Gross Refining Margin (GRMs) reflecting the earnings by Public Sector Refineries by way of crude oil processing during the first quarter of 2006-07 and 2007-08 is annexed.

(e): The Gross Refining Margins (GRMs) vary from refinery to refinery and from period to period mainly on account of the following:

i. Plant configurations and the type of crude processed,

ii. Spread between international crude & product prices;

iii. Operating parameters such as higher thruput,, better distillate yield & lower fuel & loss.